


TO: Finance and Personnel Committee

DT: August 25, 2008

FM: Herbert Pike, Finance Director 

Re: Financial Reports
--June 2008

The following are highlights of the preliminary financial reports for the fiscal year ending June 30, 2008. Our auditors are in the process of auditing these reports. We expect the audited reports will be available in November.

Cash on Hand (Figure 1)

Cash on hand decreased to about \$1.68 million on June 30 from \$1.97 million on May 31. The June balance includes approximately \$1.2 million invested in the Local Agency Investment Fund (LAIF). Currently, ABAG does not hold any other investments. The June 30 cash balance is reasonable at year-end.

Receivables (Figure 2)

Receivables from grant and service programs amounted to about \$2.5 million on June 30, compared to \$2.2 million a month ago. These balances in receivables are reasonable with respect to the volume of business and the nature of reimbursable grants.

Actual vs. Budgeted Expenses (Figure 9)

Total expenses for FY 07-08 amounted to about \$17.1 million, or 82.8% of the approved budget of \$20.6 million.

Actual vs. Budgeted Revenues (Figure 10)

At June 30, total revenues amounted to about \$17.4 million, or 83.3% of the approved budget of \$20.9 million for the fiscal year.

Both revenues and expenses are below budget for FY 07-08. These positions are largely due to the timing of consultant and sub-contractor expenses that are grant funded. These are typically multi-year programs and their budget balances at fiscal year-end will be carried forward to the following year.

Fund Equity (Figure 5)

As of June 30, general fund equity was approximately \$1.11 million. The agency's restricted fund equity, consisting of building bond interest, capital, self-insurance and building maintenance, amounted to \$510 thousand.

Indirect Cost (Figure 6)

The agency's actual indirect cost (overhead) rate averaged 43.98% of direct labor cost as of June 30, or about 101.1% of the budgeted rate of 43.49% for FY 07-08. Following OMB Circular A87, this budget overrun in the amount of about \$30 thousand is carried forward to be included in the next indirect cost plan.

Overall (Figures 3, 4, 7 & 8)

At the close of FY 07-08, the agency's finances are very close to forecast with a modest surplus of roughly \$312 thousand, or 1.8% of total revenues. Efforts are still underway to secure more reliable funding pursuant to the Long-Term Strategic Plan. Based on our latest financial forecast for FY 08-09, it appears that this fiscal year is adequately funded. The continuing budget impasse at the State is

deferring grant expense reimbursements to the agency and restricting available cash in the short-term, but no long-term reductions in State funding are anticipated.

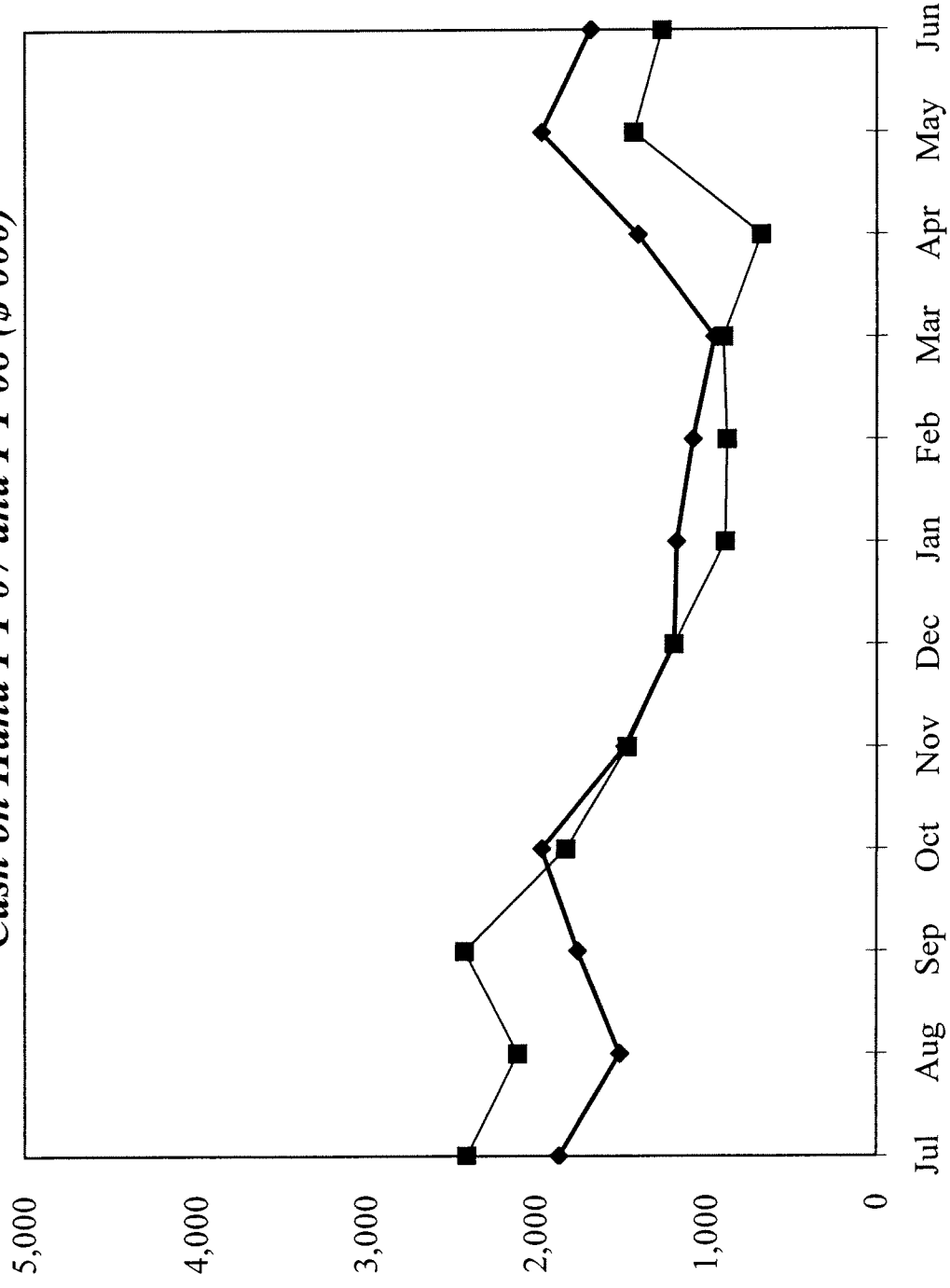
AGENDA ITEM 3

ABAG FINANCIAL REPORTS

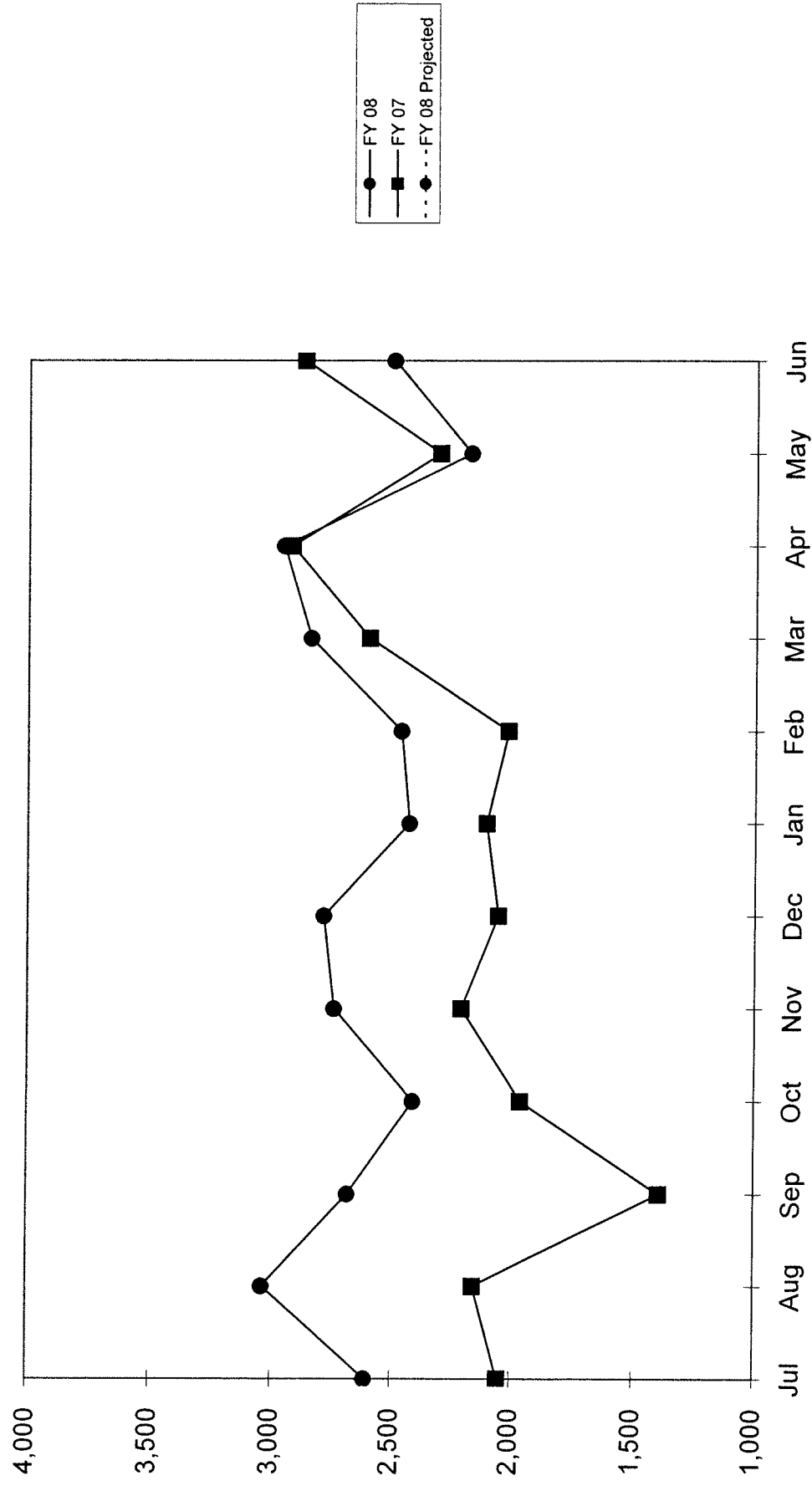
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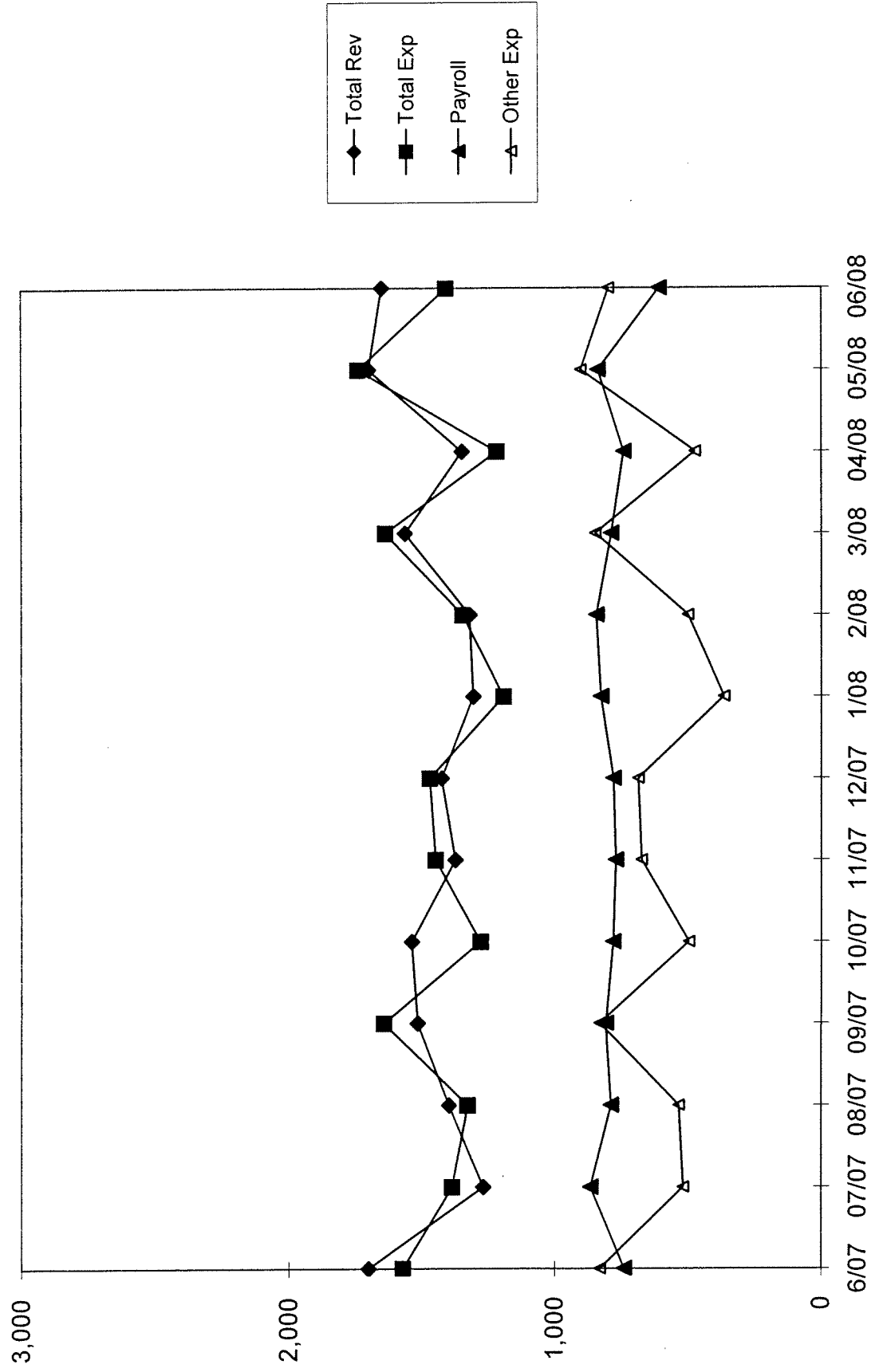
ABAG Financial Indices *Cash on Hand FY 07 and FY 08 (\$'000)*



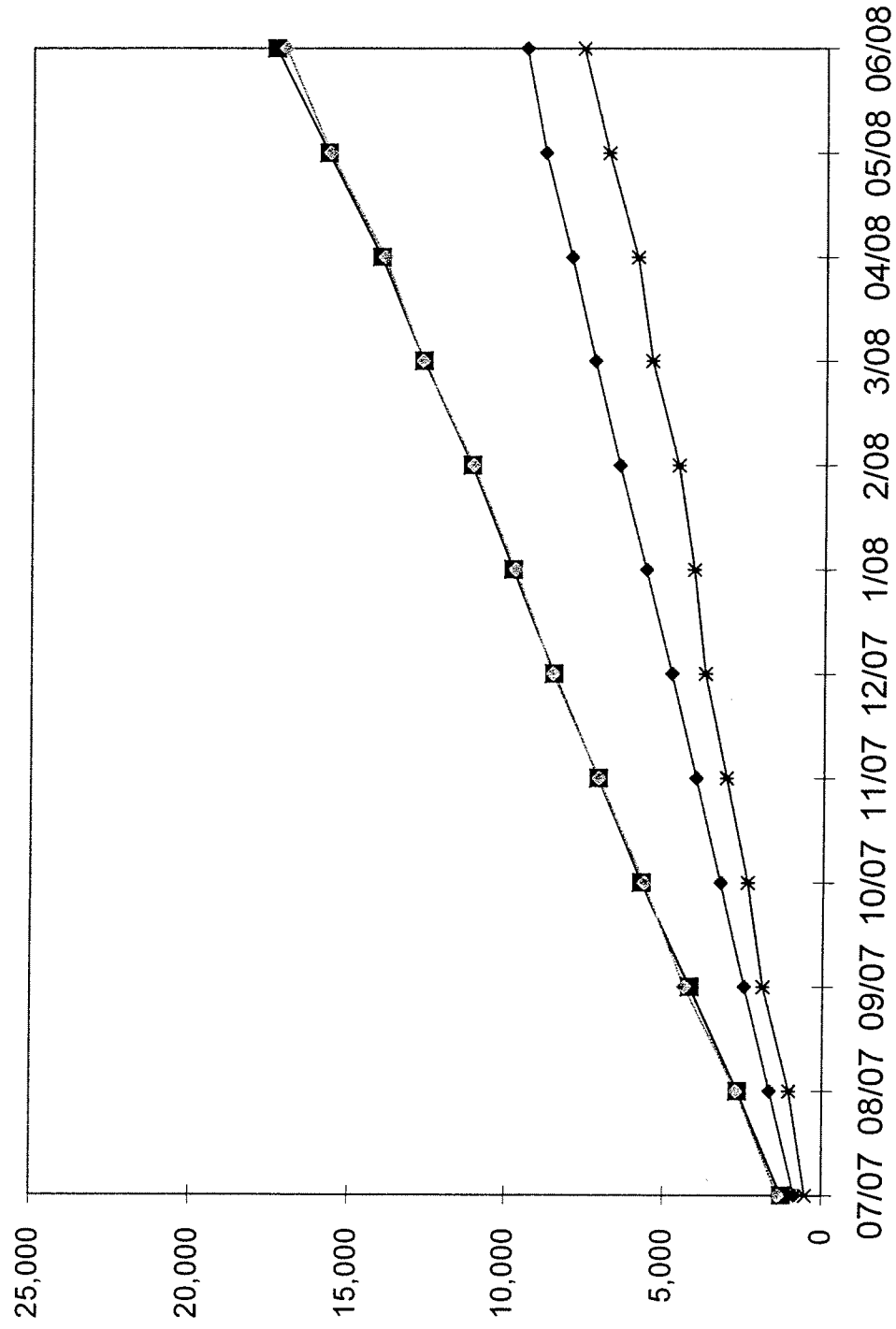
ABAG Financial Indices *Accounts Receivable FY 07 and FY08 (\$'000)*

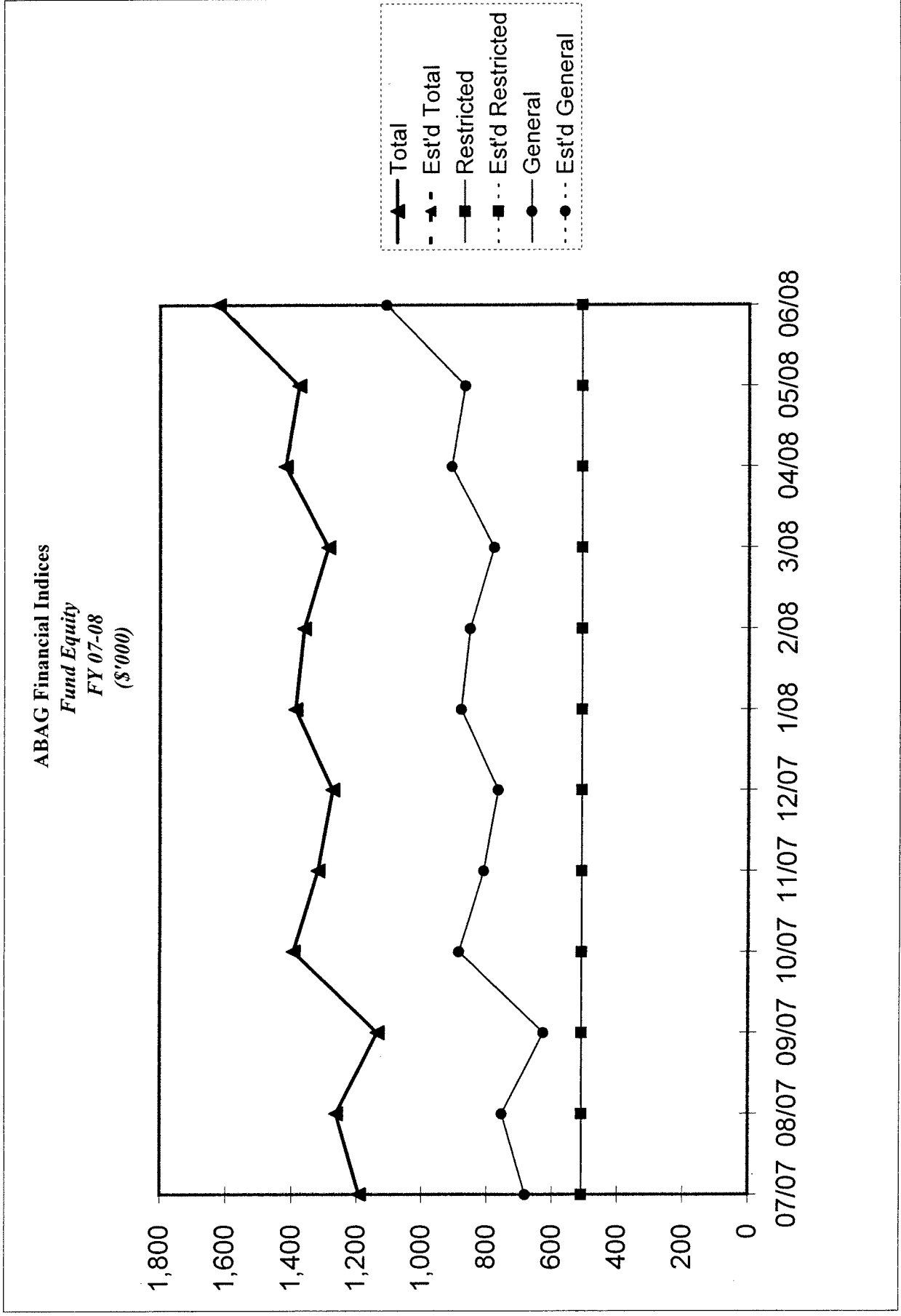


ABAG Financial Indices
 Current Month Revenues & Expenses
 FY 07-08
 (\$'000)

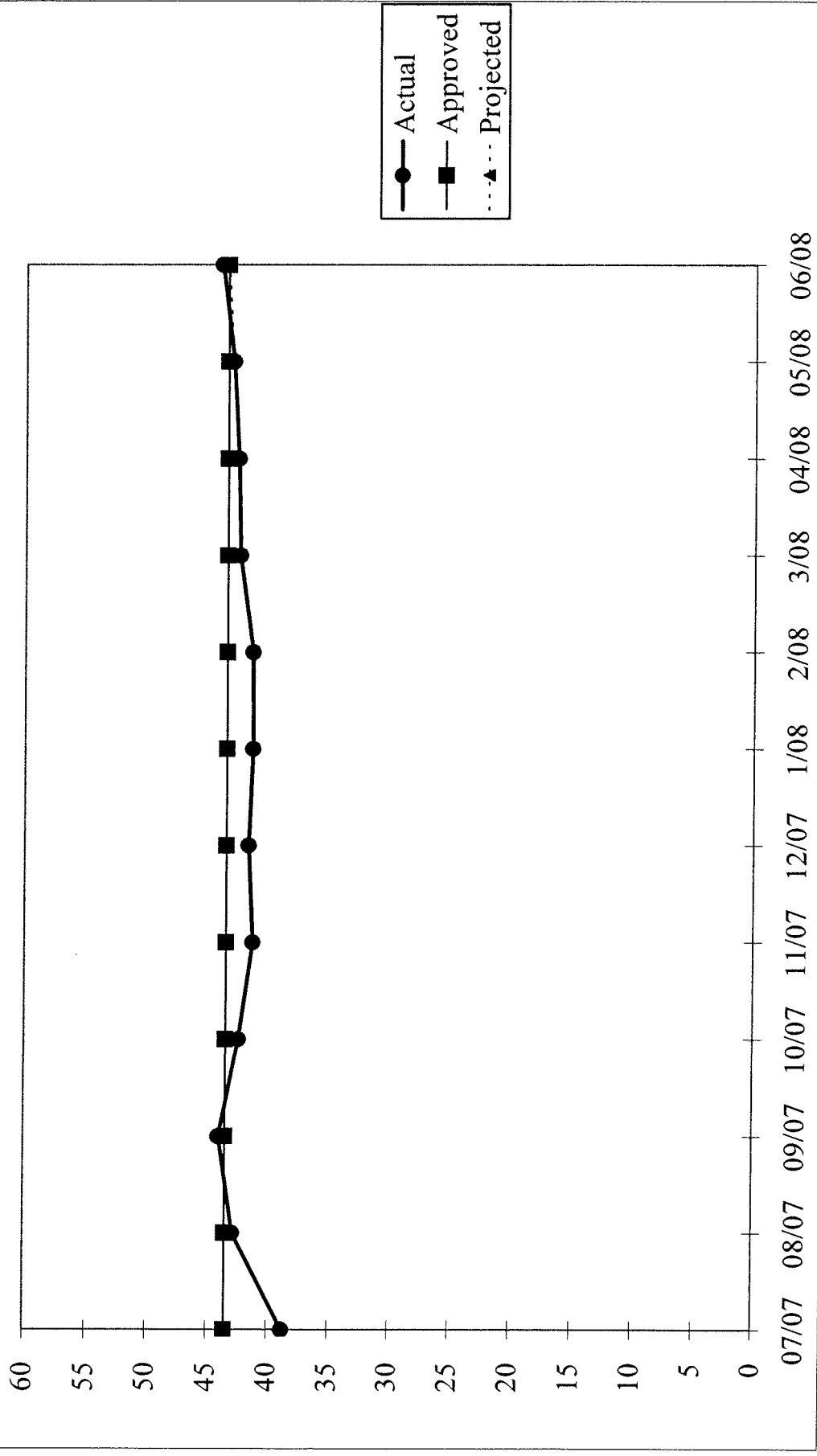


ABAG Financial Indices
Year-to-date Revenues & Expenses
FY 07-08
(\$'000)

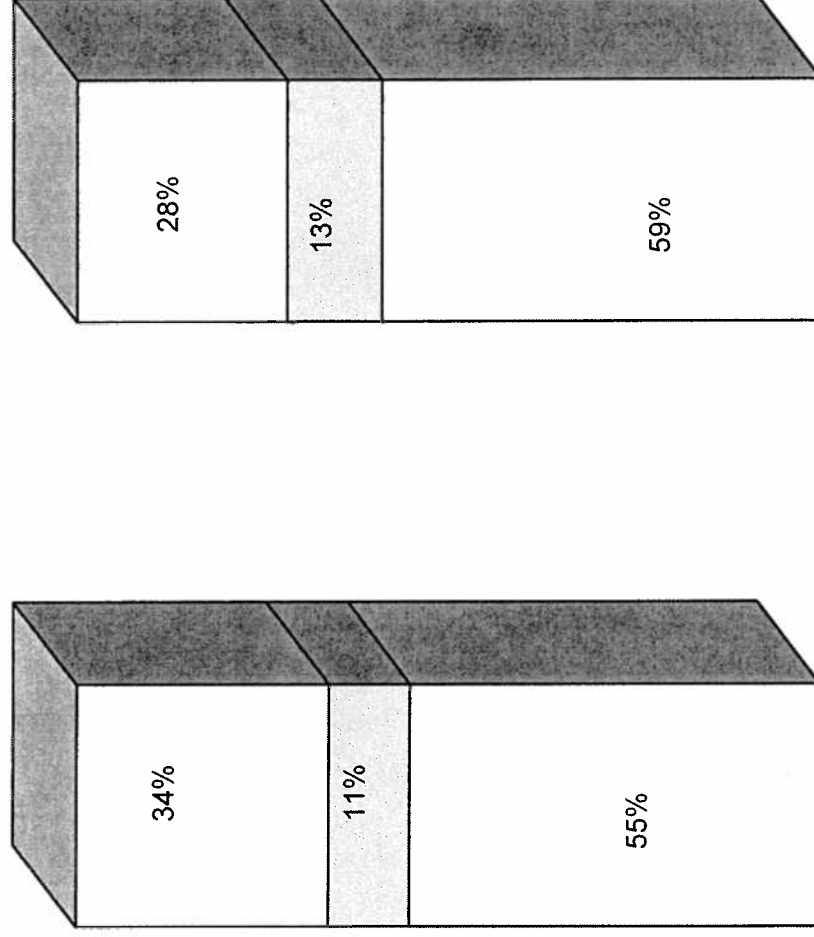




ABAG Financial Indices *Indirect Cost Rate (% of Direct Labor Cost)* **FY 07-08**

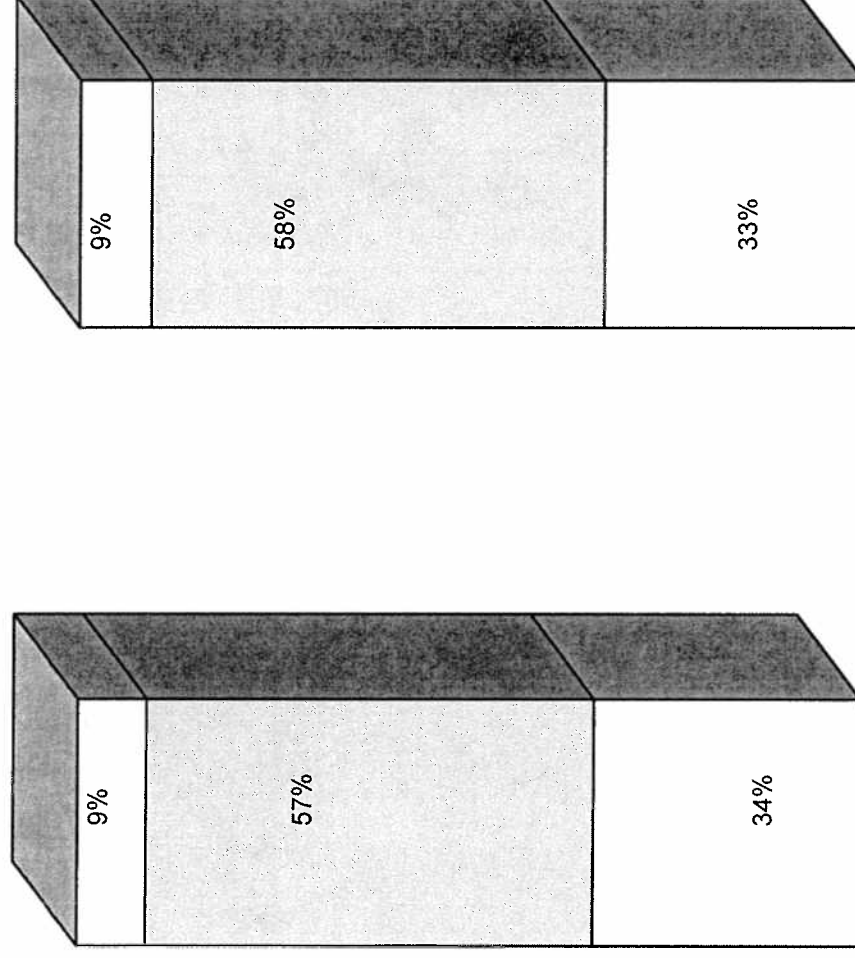


ABAG Financial Indices
Composition of Expenses FY 07 -- FY 08
Year to Date
(\$'000)



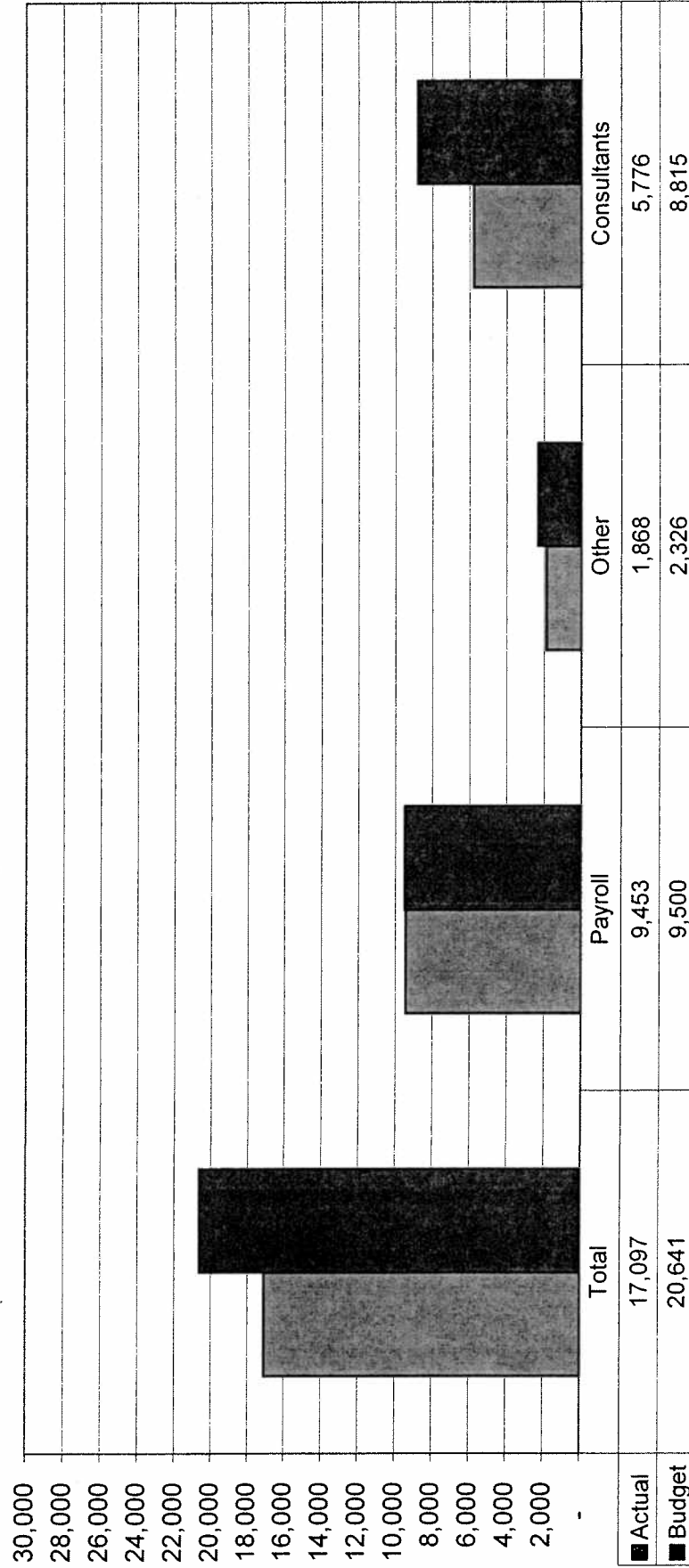
	FY07-08 Expenses (Total \$17,907)	FY06-07 Expenses (Total \$15,674)
<input type="checkbox"/> Consultants	\$5,776	\$4,403
<input type="checkbox"/> Others	\$1,868	\$1,995
<input type="checkbox"/> Payroll	\$9,453	\$9,276

ABAG Financial Indices
Composition of Revenues FY 07-- FY 08
Year to Date
(\$'000)

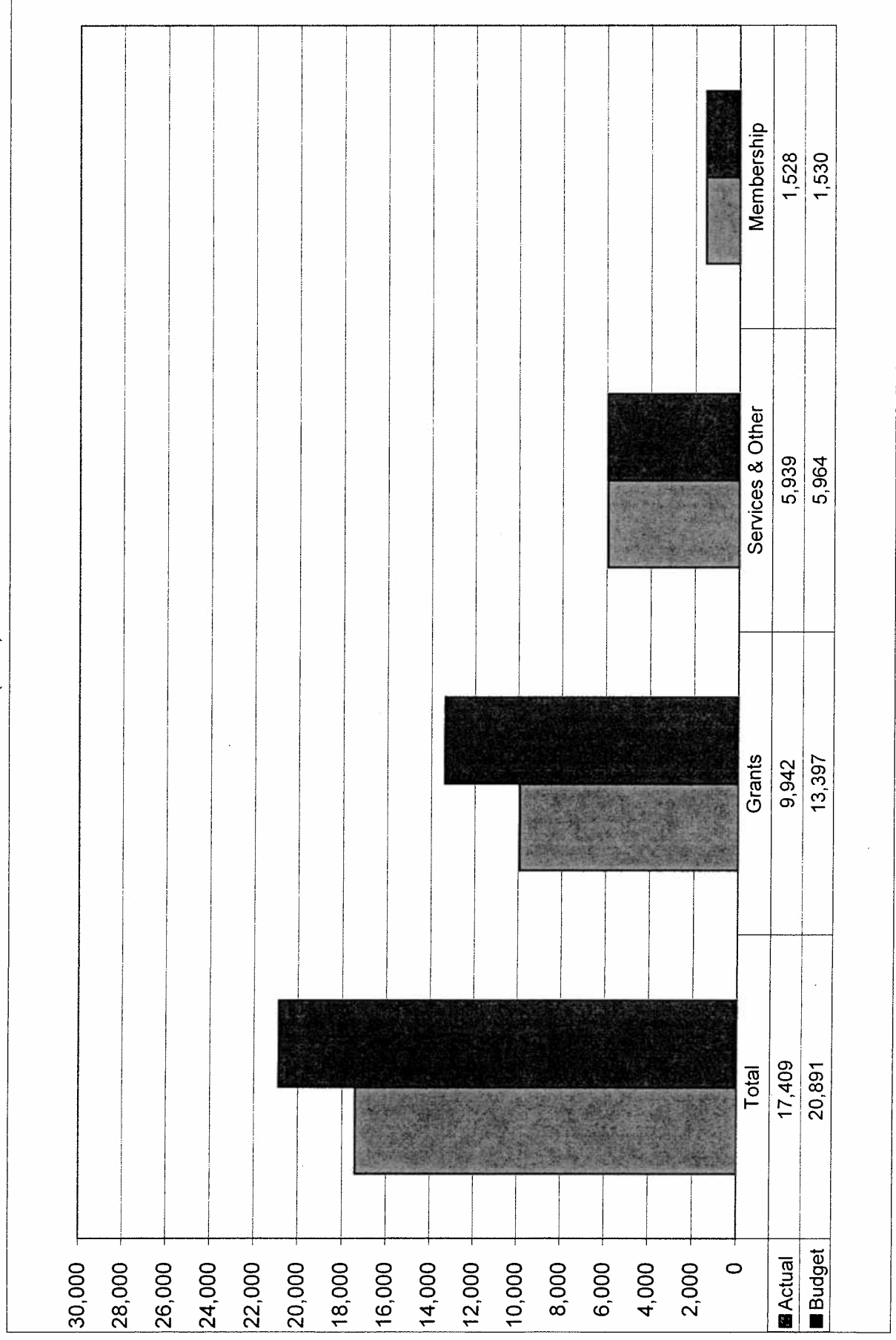


	FY 07-08 Revenue (Total \$17,409)	FY 06-07 Revenue (Total \$15,801)
Membership	\$1,528	\$1,447
Grants	\$9,942	\$9,131
Services & Others	\$5,939	\$5,223

ABAG FINANCIAL INDICIES
ACTUAL VS BUDGETED EXPENSES-FY07-08
YEAR TO DATE
(\$000)



ABAG FINANCIAL INDICES
ACTUAL VS BUDGETED REVENUES -FY07-08
YEAR TO DATE
(\$000)



Description of Charts

Figure 1 -- Cash on Hand

Cash on hand represents the sum total of cash deposited at our bank and the Local Agency Investment Fund (LAIF). This chart shows fluctuation patterns of cash on hand for the current and last fiscal years.

Figure 2 -- Accounts Receivable

Accounts receivable tracked by this chart include receivables generated by grants and service programs over two fiscal years. This chart reflects the reasonableness of our receivable levels. We usually have about six weeks' worth of our annual revenues in receivables.

Figure 3 -- Current Month Revenues and Expenses

Presents month by month total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall current month net surplus (or deficit) for the agency.

Figure 4 -- Year-to-date Revenues and Expenses

Presents year-to-date total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall year-to-date net surplus (or Deficit) for the agency.

Figure 5 --Fund Equity

Presents general, restricted and total fund equities for the current fiscal year. General fund equity represents unrestricted equity. Restricted equities include building bond interest, building maintenance, self-insurance and capital. These restricted equities represent the agency's equities set aside for specific purposes as approved by the Finance and Personnel Committee. Total equity is the sum total of general and restricted equities.

Figure 6 -- Indirect Cost Rate (% of Direct Labor Cost)

This chart shows a comparison between the actual indirect cost rate and the approved rate. The approved indirect cost rate is computed by dividing total estimated overhead expenses by total projected direct labor cost for a fiscal year. This rate is used as a standard overhead cost rate to allocate indirect costs to all projects. This process is performed in accordance with an indirect cost plan, which is prepared annually in accordance with OMB A-87.

Figure 7 -- Composition of Expenses

This chart compares expenses for current and last fiscal years. It groups expenses into two broad categories -- payroll costs and other expenses.

Figure 8 -- Composition of Revenues

Presents a break down of total revenues into four main sources -- membership, grants, services and others. This chart compares revenue sources between current and last fiscal years.

Figure 9 -- Actual vs. Budgeted Expenses


Presents a comparison of actual and budgeted total expenses as well as component categories: payroll costs, consultants and other expenses.

Figure 10 -- Actual vs. Budgeted Revenues)

Presents a comparison of actual and budgeted total revenues as well as component categories: membership dues, grants, services and other.

TO: Finance and Personnel Committee

DT: September 2, 2008

FM: Herbert Pike, Finance Director 

Re: Financial Reports
--July 2008

The following are highlights of the financial reports for July 2008.

Cash on Hand (Figure 1)

Cash on hand increased to about \$1.89 million on July 31 from \$1.68 million on June 30. The July balance includes approximately \$1.2 million invested in the Local Agency Investment Fund (LAIF). Currently, ABAG does not hold any other investments. The July 31 cash balance is reasonable and approximates balance of the year prior.

Receivables (Figure 2)

Receivables from grant and service programs amounted to about \$3.2 million on July 31, compared to \$2.5 million a month prior. These balances in receivables are somewhat higher than expected. The lack of timely State reimbursements is surely contributing to the total.

Actual vs. Budgeted Expenses (Figure 9)

Total expenses on July 31 amounted to about \$1.45 million, or 5.4% of the approved budget of \$26.7 million for FY 08-09.

Actual vs. Budgeted Revenues (Figure 10)

At July 31, total revenues amounted to about \$1.5 million, or 5.7% of the approved budget of \$26.7 million for FY 08-09.

Both revenues and expenses are below budget for FY 08-09. These positions are largely due to the timing of consultant and sub-contractor expenses that are grant funded. These are typically multi-year programs and their budget balances at fiscal year-end will be carried forward to the following year. These expenses fluctuate widely from year to year.

Fund Equity (Figure 5)

As of July 31, general fund equity was approximately \$1.17 million. The agency's restricted fund equity, consisting of building bond interest, capital, self-insurance and building maintenance, amounted to \$510 thousand.

Indirect Cost (Figure 6)

The agency's actual indirect cost (overhead) rate was 40.50% of direct labor cost as of July 31, or about 94.2% of the budgeted rate of 43.00% for FY 08-09. This variance is attributed to contractual overhead expenses that will occur later in the fiscal year.

Overall (Figures 3, 4, 7 & 8)

At July 31, the agency's finances are very close to forecast with a modest surplus of roughly \$62.5 thousand, or 4.1% of the month's revenues. It appears that this fiscal year is adequately funded. The continuing budget impasse at the State is deferring grant expense reimbursements to the agency and restricting available cash in the short-term, but no long-term reductions in State funding are anticipated.

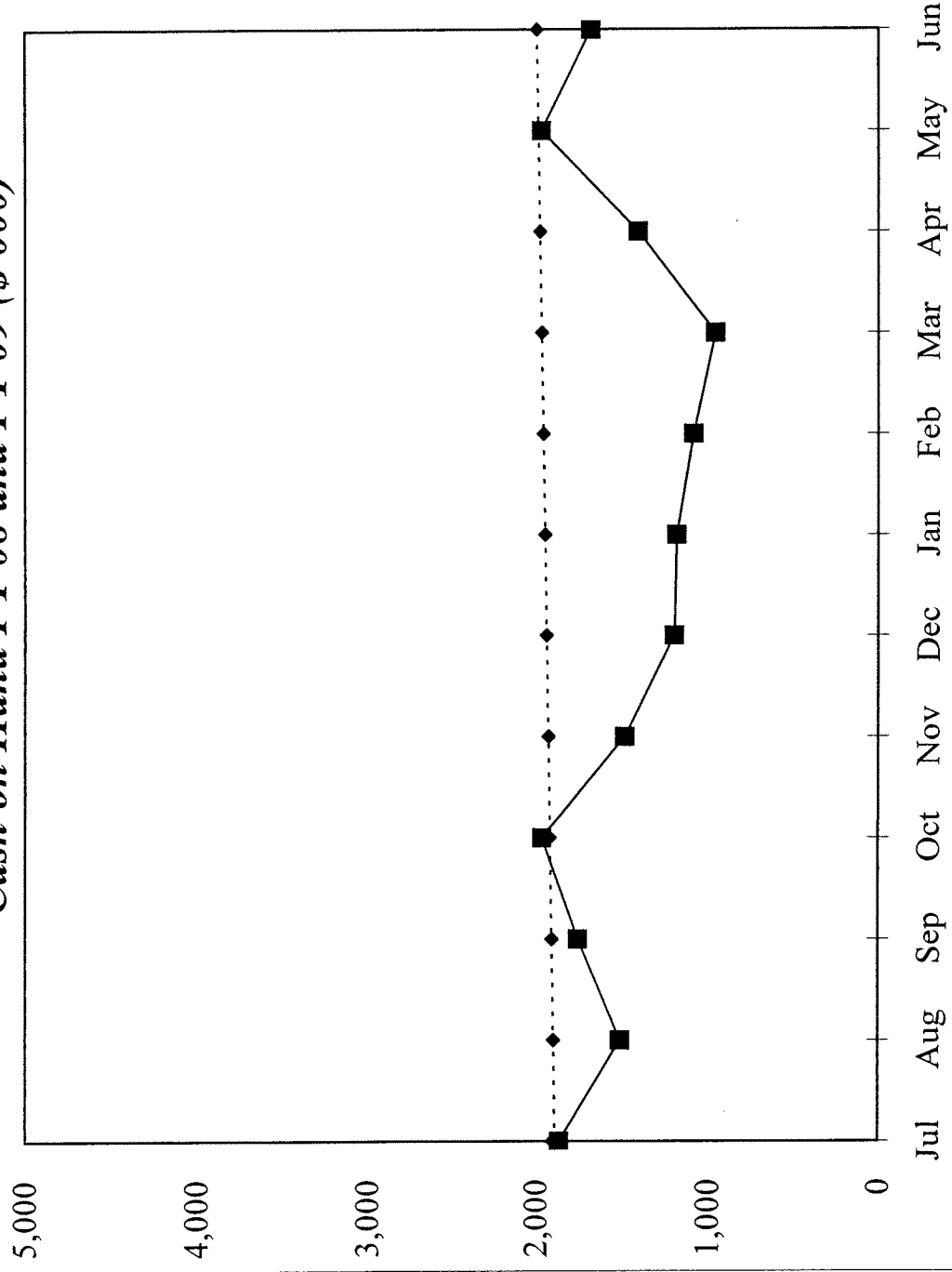
AGENDA ITEM 3

ABAG FINANCIAL REPORTS

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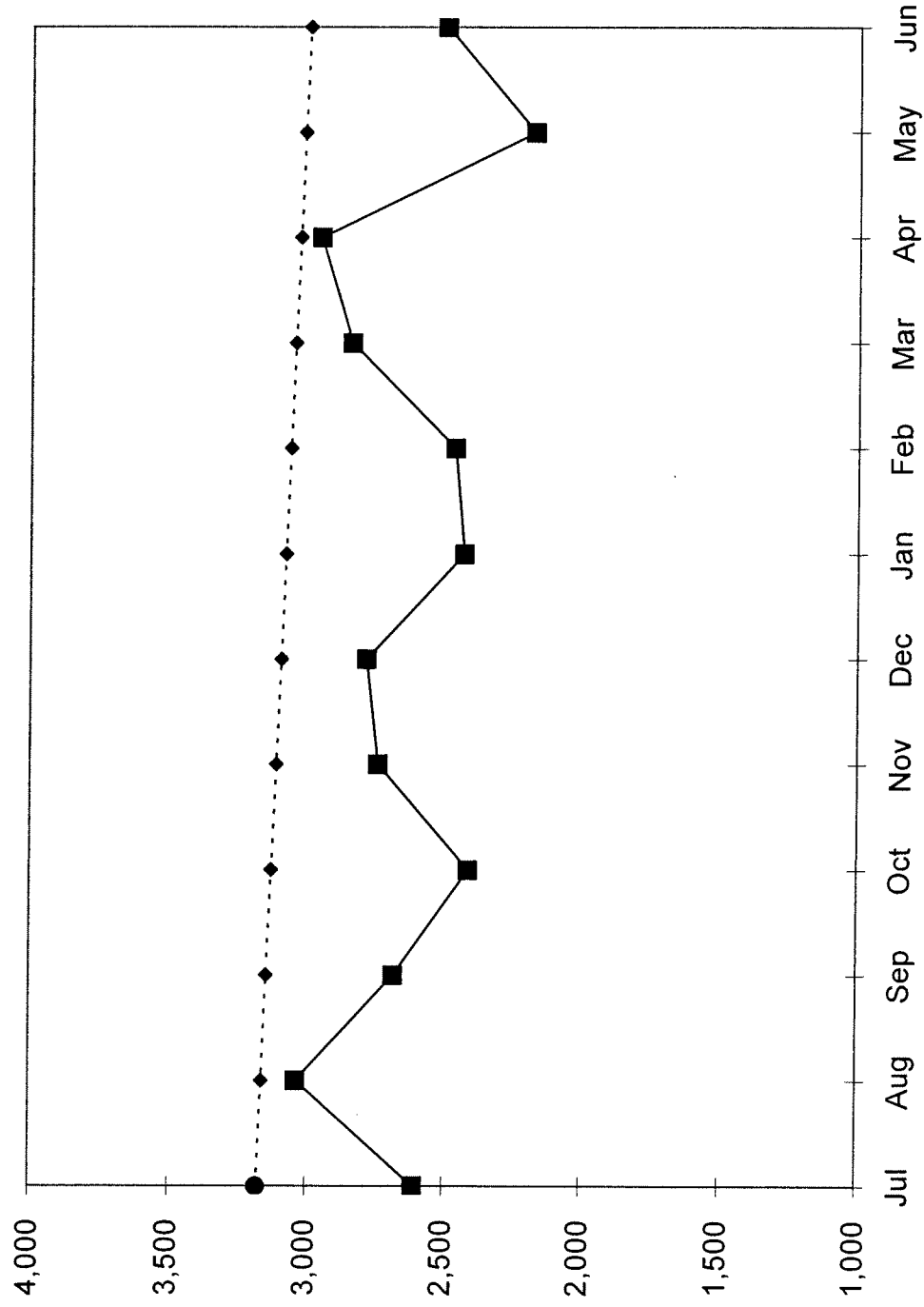
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ABAG Financial Indices *Cash on Hand FY 08 and FY 09 (\$'000)*

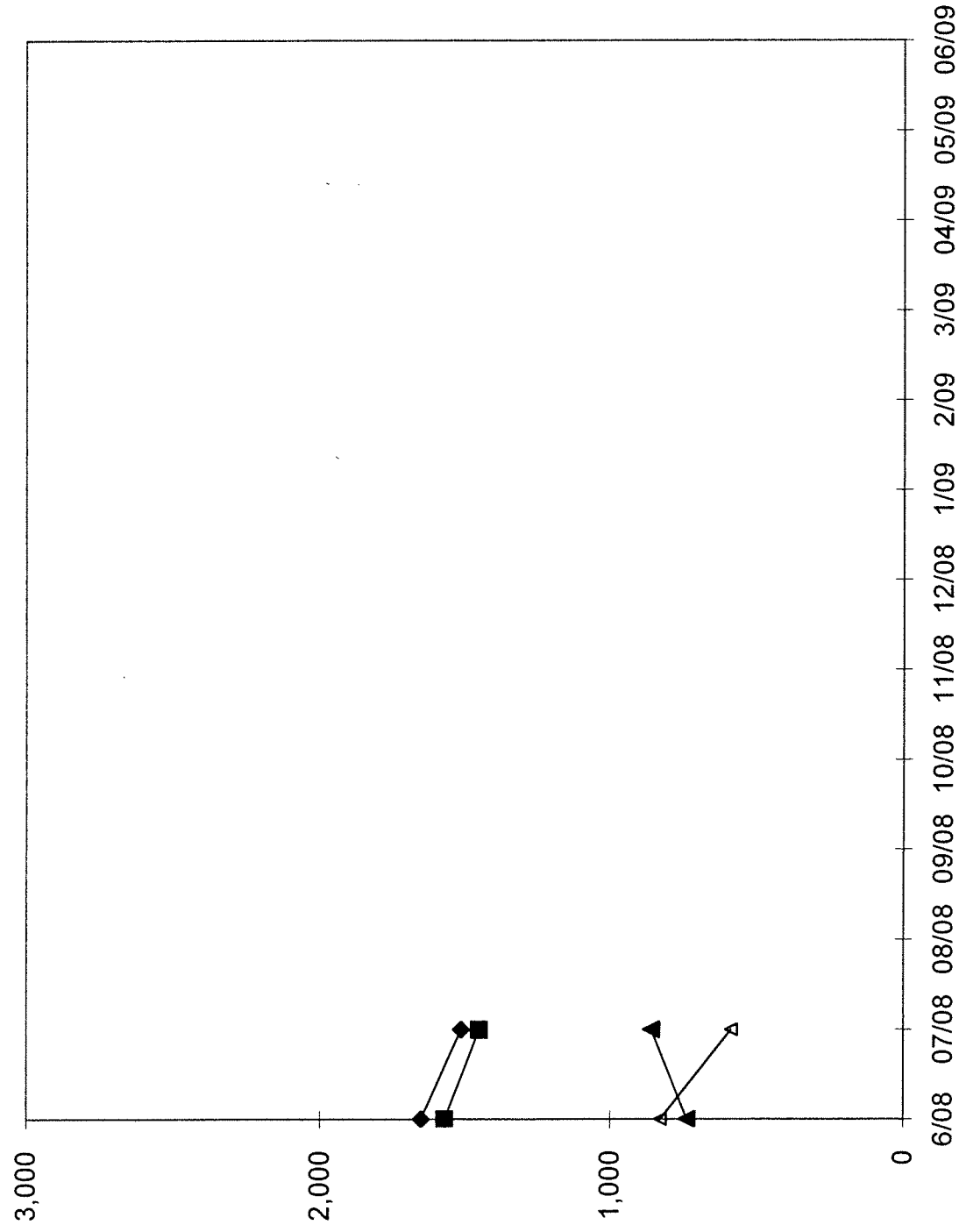


ABAG Financial Indices

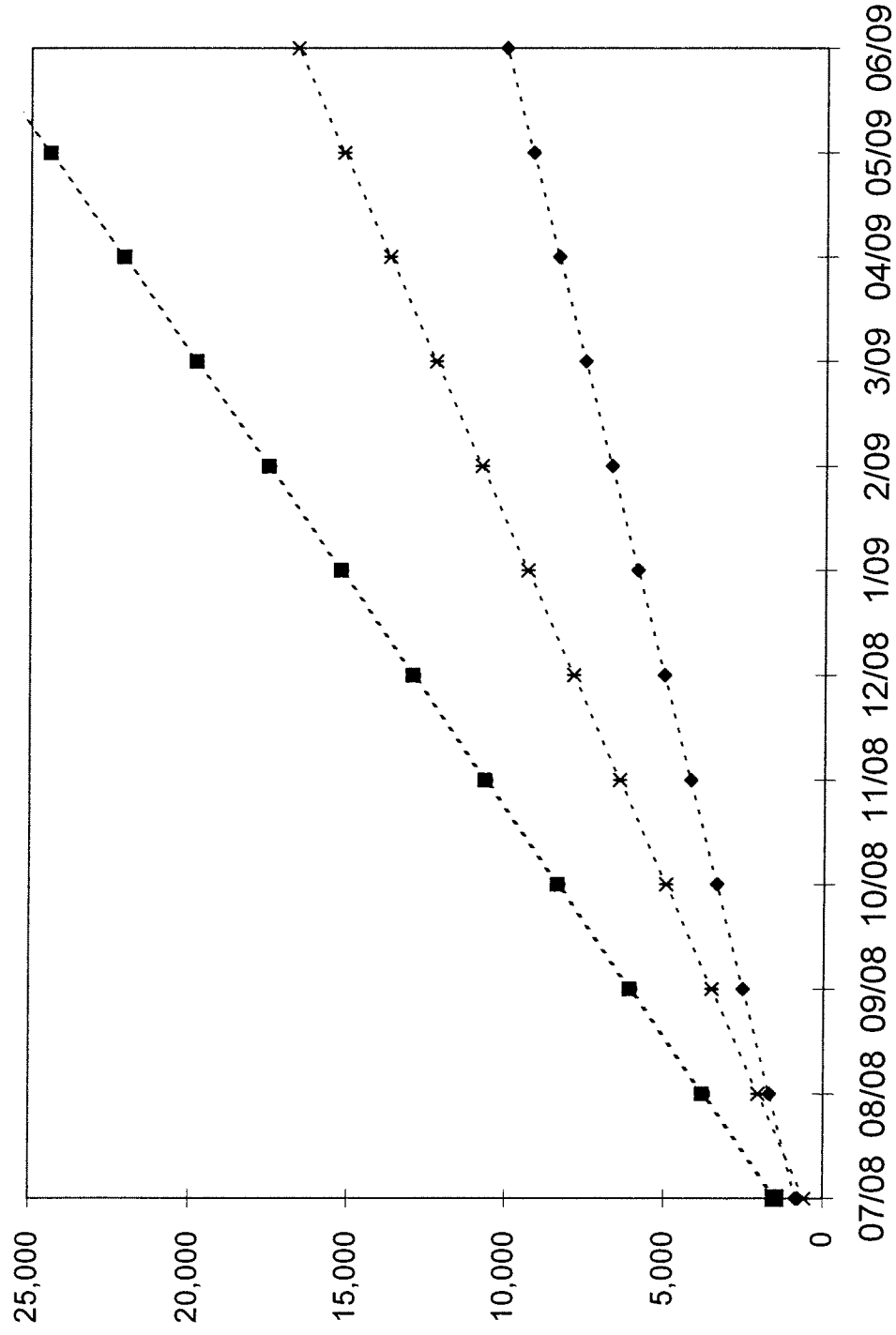
Accounts Receivable FY 08 and FY09 (\$'000)

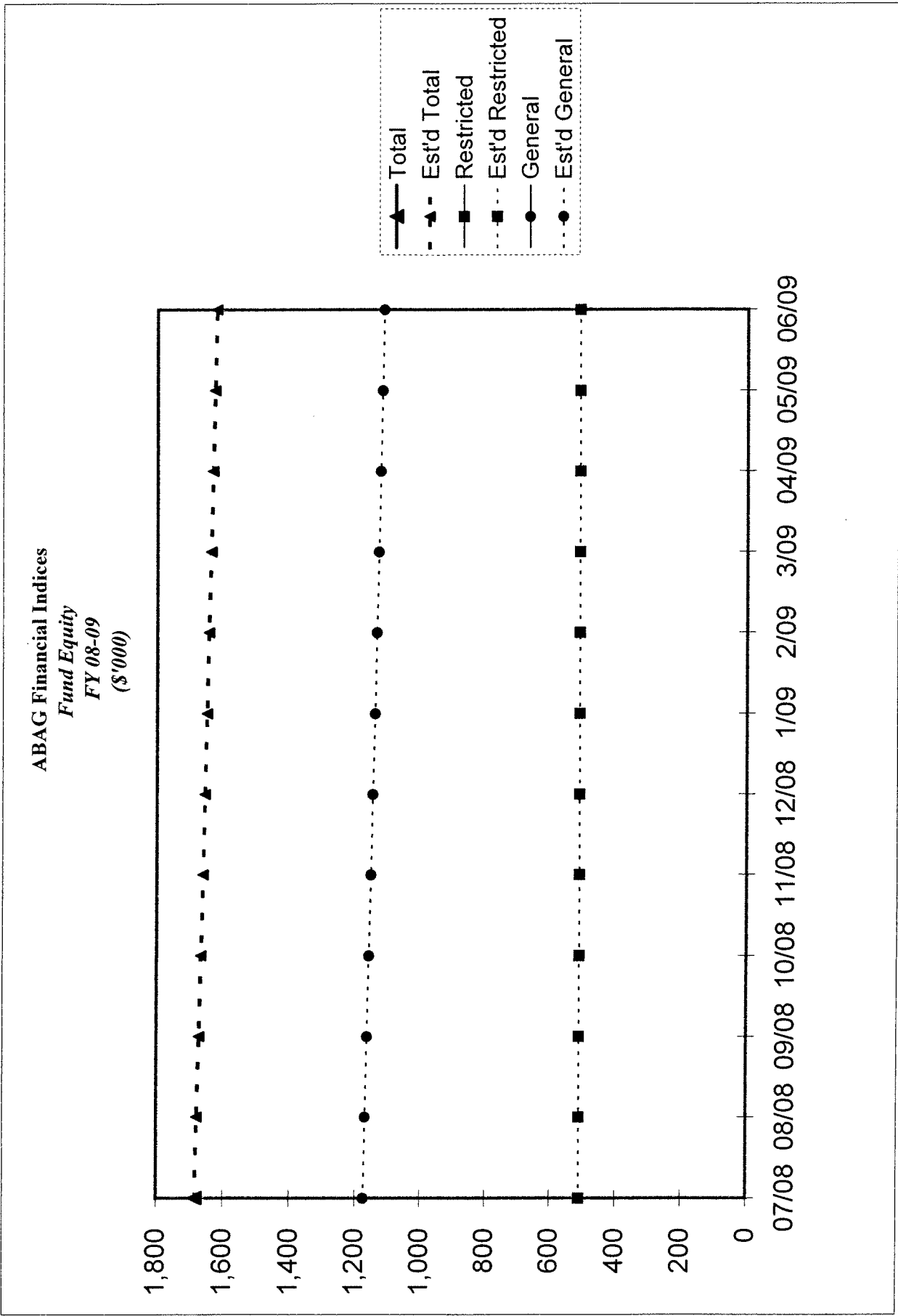


ABAG Financial Indices
 Current Month Revenues & Expenses
 FY 08-09
 (\$'000)

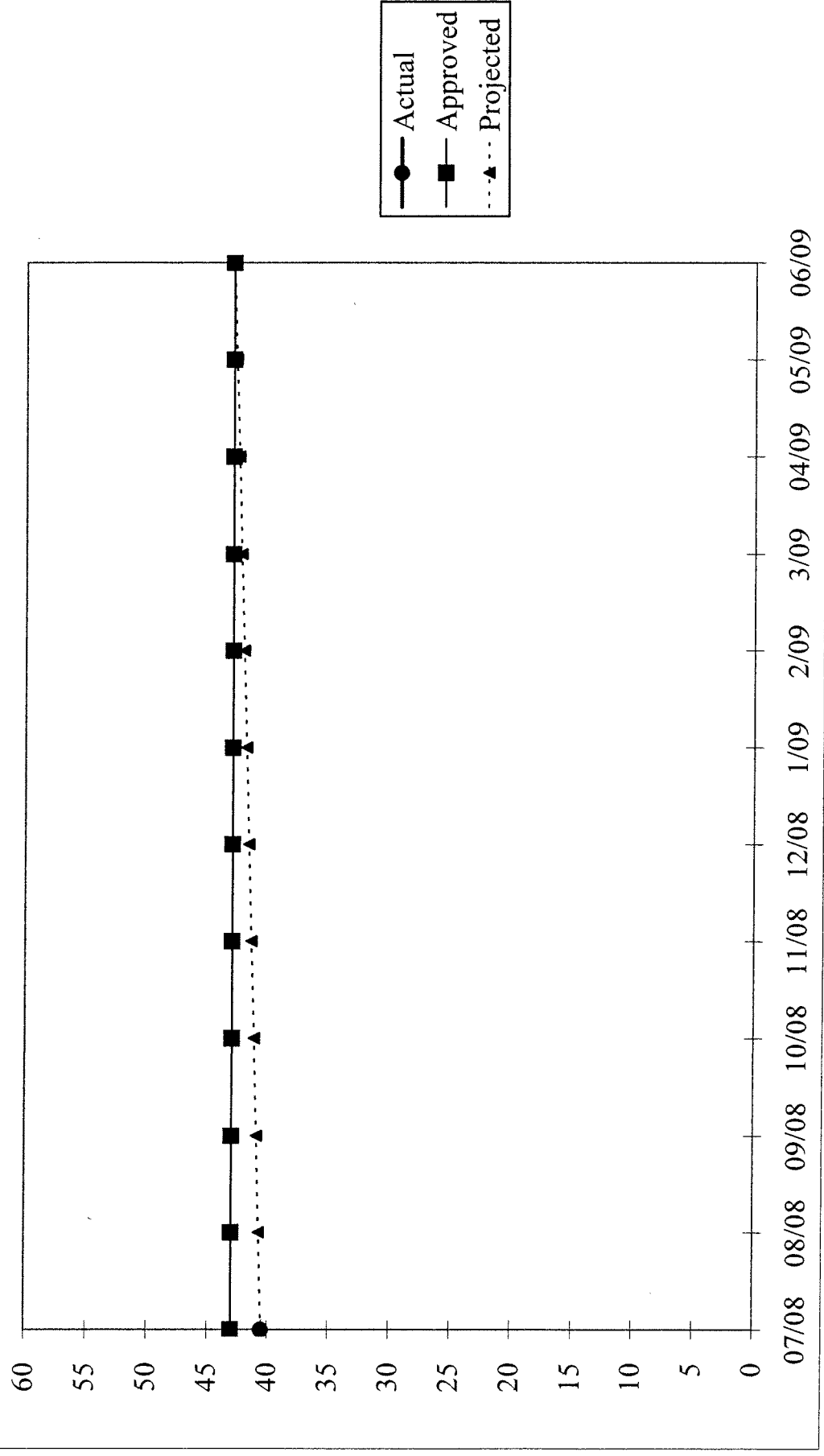


ABAG Financial Indices
Year-to-date Revenues & Expenses
FY 08-09
(\$'000)

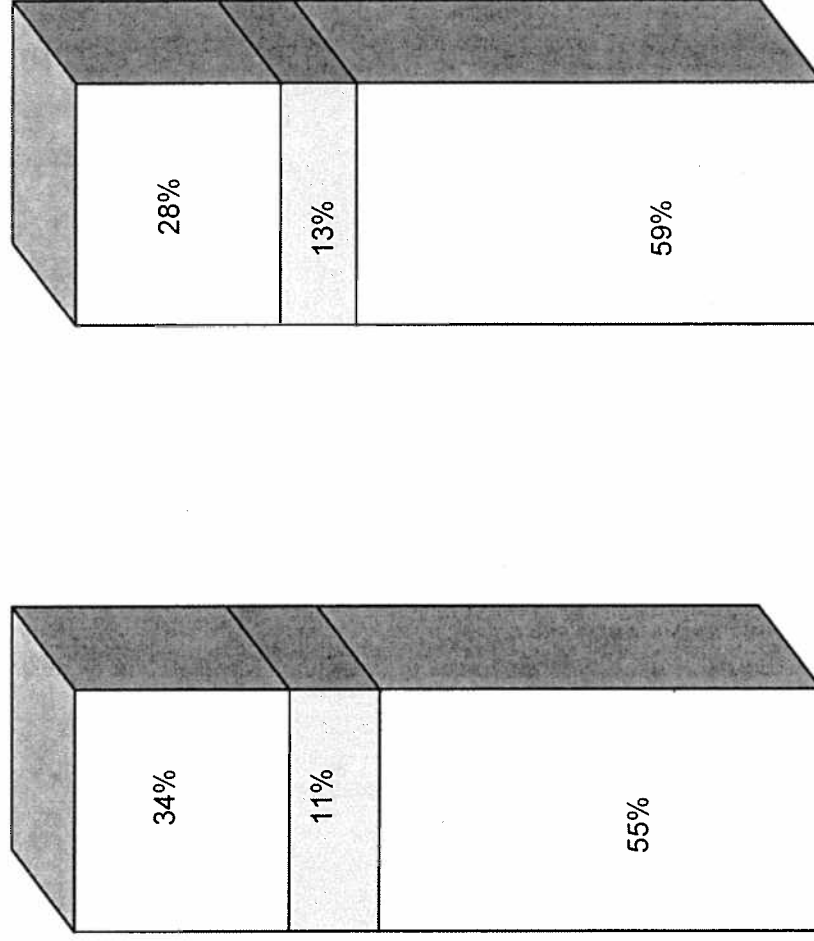




ABAG Financial Indices *Indirect Cost Rate (% of Direct Labor Cost)* **FY 08-09**

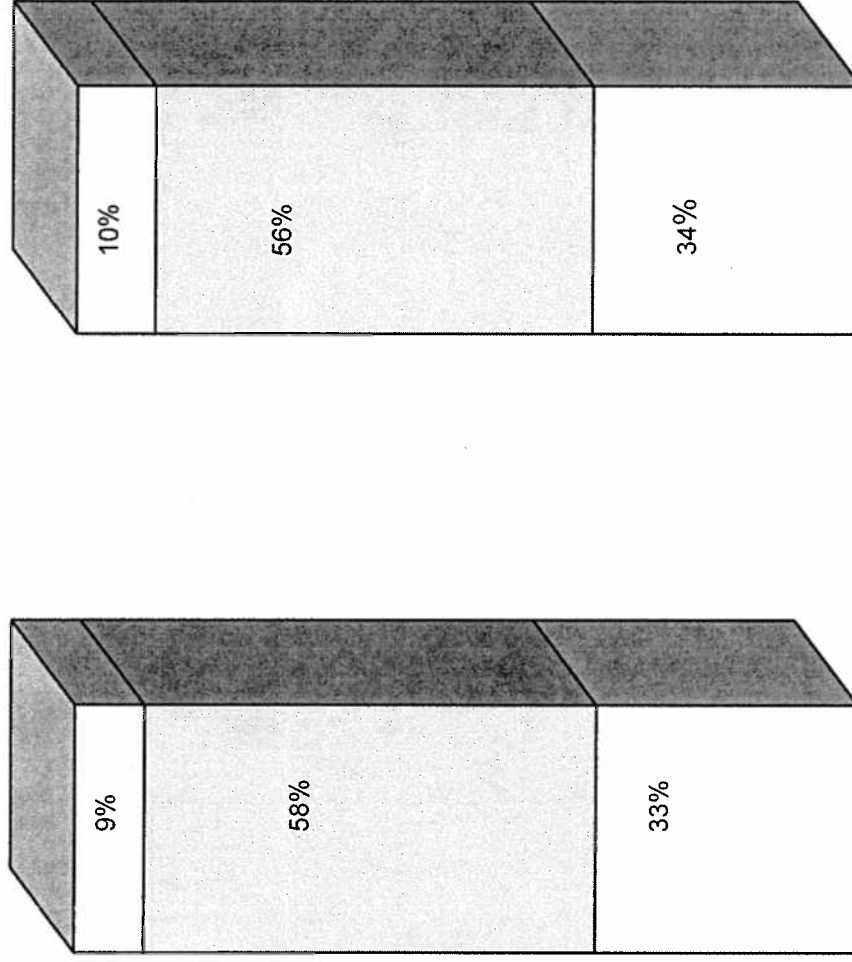


ABAG Financial Indices
Composition of Expenses FY 08 -- FY 09
Year to Date
(\$'000)



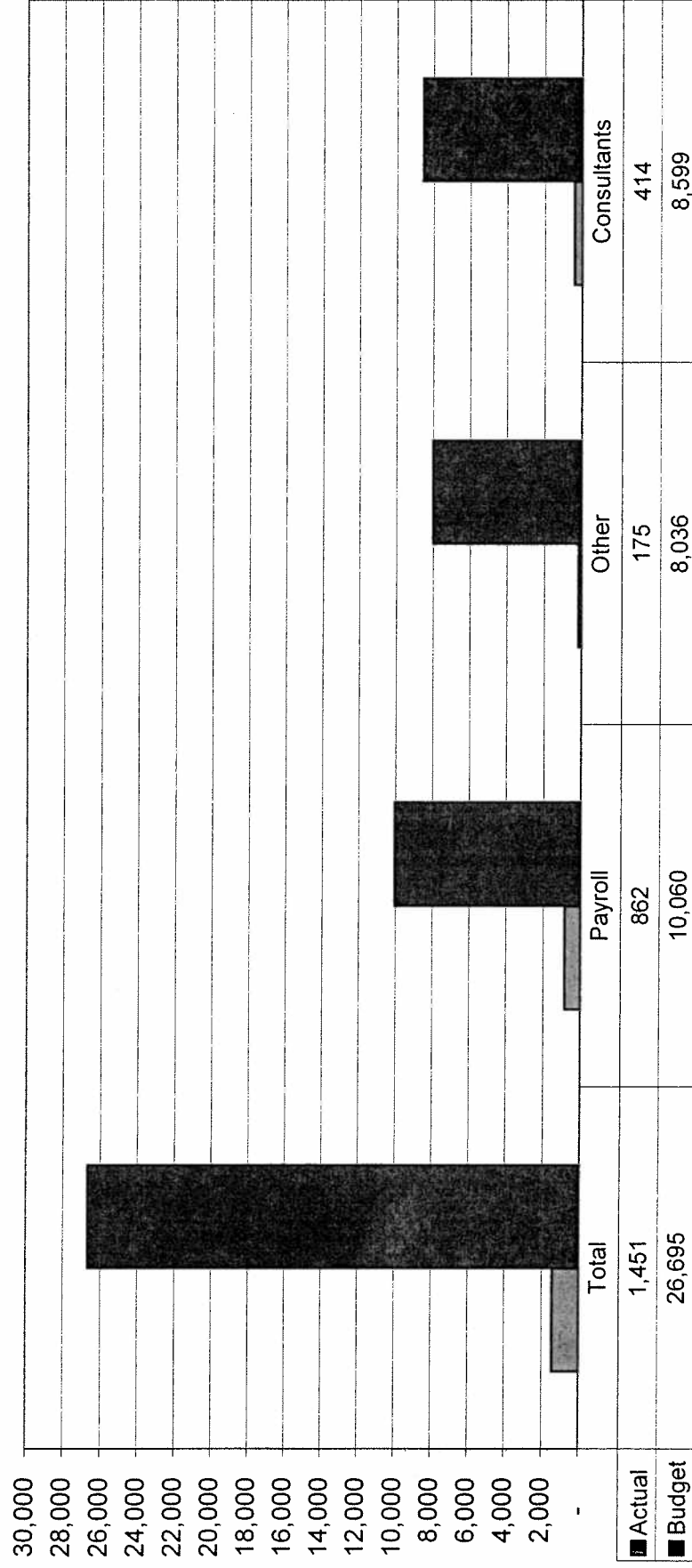
	FY08-09 Expenses (Total \$1,451)	FY07-08 Expenses (Total \$1,385)
Consultants	\$414	\$378
Others	\$175	\$140
Payroll	\$862	\$867

ABAG Financial Indices
Composition of Revenues FY 08-- FY 09
Year to Date
(\$'000)

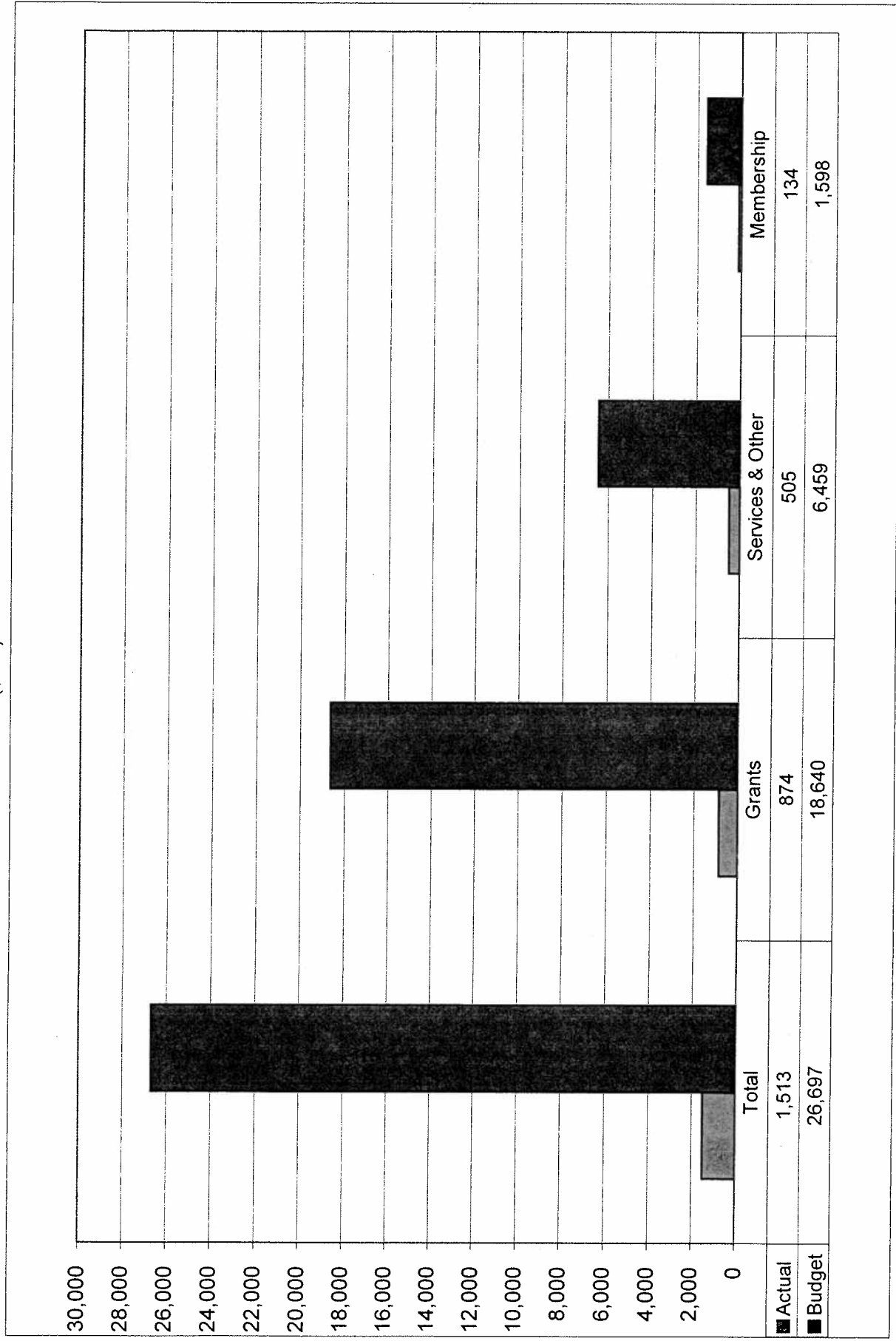


	FY 08-09 Revenue (Total \$1,513)	FY 07-08 Revenue (Total \$1,282)
Membership	\$134	\$127
Grants	\$874	\$718
Services & Others	\$505	\$438

ABAG FINANCIAL INDICIES
ACTUAL VS BUDGETED EXPENSES-FY07-08
YEAR TO DATE
(\$000)



ABAG FINANCIAL INDICES
 ACTUAL VS BUDGETED REVENUES - FY08-09
 YEAR TO DATE
 (\$000)



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